

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: CORE SCIENTIFIC, INC., <i>et al.</i>, Debtors.¹	§ § § § § § § § §	Chapter 11 Case No. 22-90341 (DRJ) (Jointly Administered) Re: Docket No. 854
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DEBTORS' SUPPLEMENT TO OBJECTION TO PROOF OF CLAIM NOS. 503, 505, 506, 508, 570, 571, AND 572 FILED BY GEM MINING 1, LLC, GEM MINING 2B, LLC, GEM MINING 4, LLC, GEM MINING 2, LLC, GEM MINING 2, LLC, GEM MINING 2B, LLC, AND GEM MINING 4, LLC, RESPECTIVELY

THIS IS AN OBJECTION TO YOUR CLAIMS. THIS OBJECTION ASKS THE COURT TO DISALLOW THE CLAIMS THAT YOU FILED IN THIS BANKRUPTCY CASE. YOU SHOULD IMMEDIATELY CONTACT THE OBJECTING PARTY TO RESOLVE THE DISPUTE. IF YOU DO NOT FILE A RESPONSE WITHIN 30 DAYS AFTER THE OBJECTION WAS SERVED ON YOU, YOUR CLAIMS MAY BE DISALLOWED WITHOUT A HEARING.

Core Scientific Operating Company f/k/a Core Scientific, Inc. (“**Core**”),² and its debtor affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”), respectfully submit this supplement (the “**Supplement**”) to the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

² As discussed in the *Declaration of Michael Bros in Support of the Debtors’ Chapter 11 Petitions and First Day Relief*, Dec. 21, 2022 (Dkt. No. 5), Core Scientific, Inc. changed its name to Core Scientific Operating Company in January 2022. *See id.* at ¶ 31. Therefore, any claims against Core Scientific, Inc. are more properly claims against Core Scientific Operating Company. The GEM POCs (as defined below) state that out of an abundance of caution GEM filed duplicate claims against the Core Scientific, Inc. and Core Scientific Operating Company, clarifying that GEM only seeks recovery once against the correct Debtor entity. Accordingly, the Debtors expect the true amount of claims asserted in the GEM POCs to be less than \$7 million.

Debtors’ Objection to Proof of Claim Nos. 503, 505, 506, 508, 570, 571, and 572 Filed by GEM Mining 1, LLC, GEM Mining 2B, LLC, GEM Mining 4, LLC, GEM Mining 2, LLC, GEM Mining 2, LLC, GEM Mining 2B, LLC, and GEM Mining 4, LLC, Respectively (Docket No. 854) (the “**Objection**”), and request entry of an order, substantially in the form attached hereto as **Exhibit A** (the “**Revised Proposed Order**”) disallowing Proof of Claim Nos. 503, 505, 506, 508, 570, 571, 572, and 617 (the “**GEM POCs**”) filed by GEM Mining 1, LLC, GEM Mining 2, LLC, GEM Mining 2B, LLC, and GEM Mining 4, LLC, (collectively, “**GEM**,” and together with the Debtors, the “**Parties**”) against Core.

1. On May 4, 2023 the Debtors filed the Objection, objecting to the seven GEM proof of claims that were reflected on the official register (claim nos. 503, 505, 506, 508, 570, 571, and 572).

2. On May 5, 2023, Stretto, Inc., as claims, noticing and solicitation agent in these chapter 11 cases, notified Debtors’ counsel that following a thorough audit of all Court processed claims they learned that GEM proof of claim number 617 had not previously been captured in their system or reflected on the official register of claims.

3. The following is a revised summary chart of the GEM POCs to which the Debtors object:

GEM POC No.	Debtor Entity	GEM Entity	Amounts
503	Core Scientific, Inc.	GEM Mining 1, LLC	\$560,253.50
505	Core Scientific, Inc.	GEM Mining 2 B, LLC	\$269,236
506	Core Scientific, Inc.	GEM Mining 4, LLC	\$403,278.13
508	Core Scientific, Inc.	GEM Mining 2, LLC	\$2,862,274.67

GEM POC No.	Debtor Entity	GEM Entity	Amounts
570	Core Scientific Operating Company	GEM Mining 2, LLC	\$2,862,274.67
571	Core Scientific Operating Company	GEM Mining 2 B, LLC	\$269,236
572	Core Scientific Operating Company	GEM Mining 4, LLC	\$403,278.13
617	Core Scientific Operating Company	GEM Mining 1, LLC	\$560,253.50

4. The Debtors hereby file this Supplement to add to their Objection, claim number 617 filed by GEM Mining 1, LLC filed against Core Scientific Operating, and a Revised Proposed Order disallowing the GEM POCs.

Reservation of Rights

5. This Supplement is limited to the grounds stated herein and accordingly is without prejudice to the rights of the Debtors or any other party in interest to object to any claim, including any of GEM's claims, on any further grounds, and the Debtors expressly reserve all other substantive or procedural objections that they may have, including as it relates to the limitations of liability provisions in the Hosting Agreements. Nothing contained herein is intended to be or shall be deemed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any appropriate party-in-interest's rights to dispute the amount of, basis for, or validity of any claim, (iii) a waiver of the Debtors' or any other party-in-interest's rights under the Bankruptcy Code or any other applicable nonbankruptcy law, or (iv) an approval, adoption, assumption, or rejection of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code.

Notice

6. Notice of this Objection will be provided to (i) any party that has requested notice pursuant to Bankruptcy Rule 2002, (ii) the affected claimant, and (iii) any other party entitled to notice pursuant to Bankruptcy Local Rule 9013-1(d).

[Remainder of page intentionally left blank]

WHEREFORE the Debtors respectfully request entry of the Proposed Order granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: May 6, 2023
Houston, Texas

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Counsel for Debtors and Debtors in Possession

Certificate of Service

I hereby certify that on May 6, 2023, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

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